

Memorandum



Date: October 7, 2008

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Pet Resorts at Miami International Airport

Agenda Item No. 12(B)7

Aviation staff was requested to provide a report on the viability of a pet resort at Miami International Airport (MIA). A survey of other airports and the pet industry was conducted to determine potential business terms and industry trends.

Research Results

More than 55 airports were contacted by email to ask if they had a pet hotel and if so, to describe the terms and conditions of the contract between the airport and the entity. Miami-Dade Aviation Department (MDAD) staff also received unsolicited proposals from pet resort providers and these firms were contacted to assist in determining the feasibility of such a resort.

Airport Research

Airport respondents to the survey indicated that 10 mid-large size airports offer or will soon offer a pet resort facility either on airport or off airport.

Four airports are verified as having pet resorts on airport property; two have pet resorts off-airport property. Jacksonville Airport has had a pet facility since 2004. Chicago O'Hare opened a pet facility in May 2008. Minneapolis/San Paul International Airport issued and awarded its Request for Proposals (RFP) for a pet resort facility on airport property in 2007 and is retrofitting a building to accommodate the facility. Denver Colorado issued an RFP in 2007 and anticipates award in August 2008. Houston Airport System has a pet resort off airport property at both Hobby and Houston International.

Dallas/Forth Worth is developing an RFP for issuance this summer.

Facility Owner Research

MDAD staff contacted two interested parties: one company is a franchise and the other is privately owned pet resort. Both companies provided information on the viability of a pet facility at Miami International Airport and discussed potential terms and conditions for consideration in future solicitations.

Business Terms and Conditions:

The following terms and conditions were identified from the research:

- Terms: Fifteen years
- Financial:
 - Annual land rental (at current facilities)
 - Percentage fee from 5% to 15% of gross revenues (some airports)
- Service: Accommodation, pet care services, sale of products, veterinarian services.
- Average length of stay: One to eight days.
- Average national 2007 occupancy rate for Pet Hotels is 58%.
- Average Daily rate \$20 - \$30 for most pets.

MIA Sites and Funding

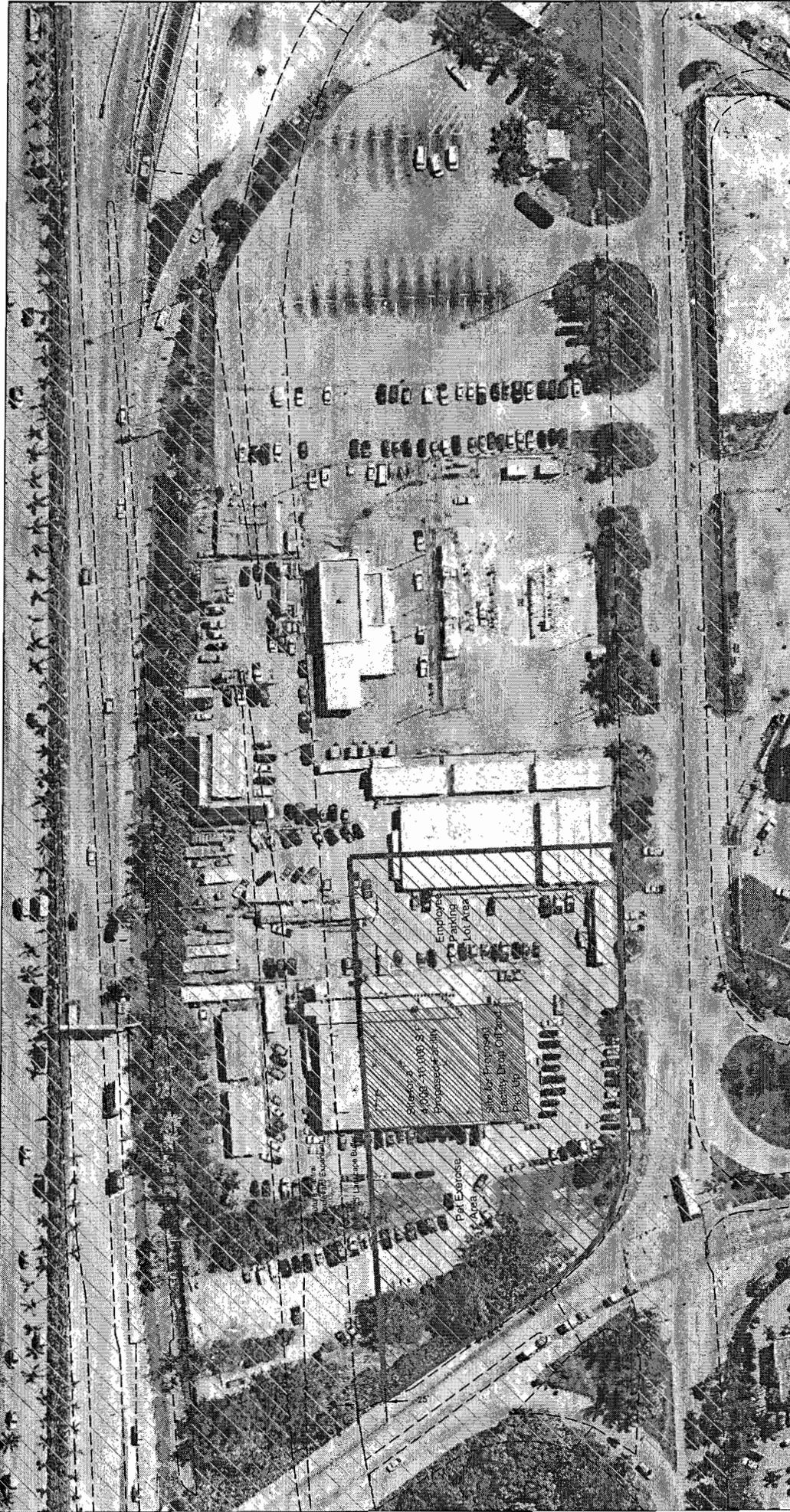
Three potential sites have been identified on airport property for a pet facility. Alternative #1 is located off Central Boulevard at Building 3039 on the entrance to MIA. Alternative #2 and #3 are located on the north side of MIA on N.W. 36 Street, west of Lejuene Road, adjacent to the Airbus facility (Bldg. 909) and adjacent to the MDCC facility (Bldg. 881). (see attachments)

MDAD intends to advertise nationally and internationally the availability of the sites to generate a suitable number of potential investors. In addition to a brief description of how each entity would approach developing the sites, the solicitation requires each investor/developer to submit evidence that it possesses the capability and financial backing necessary for a project of this magnitude.

Most airports are exploring offering this customer service convenience and potential revenue generator whenever possible on airport property. The owners of pet facilities have indicated that they believe this type of facility is needed for airport patrons and that it would be profitable. They have indicated that if a solicitation is issued that they would be interested in participating.



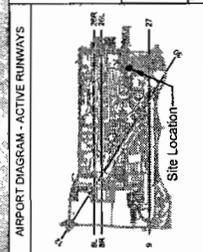
Assistant County Manager





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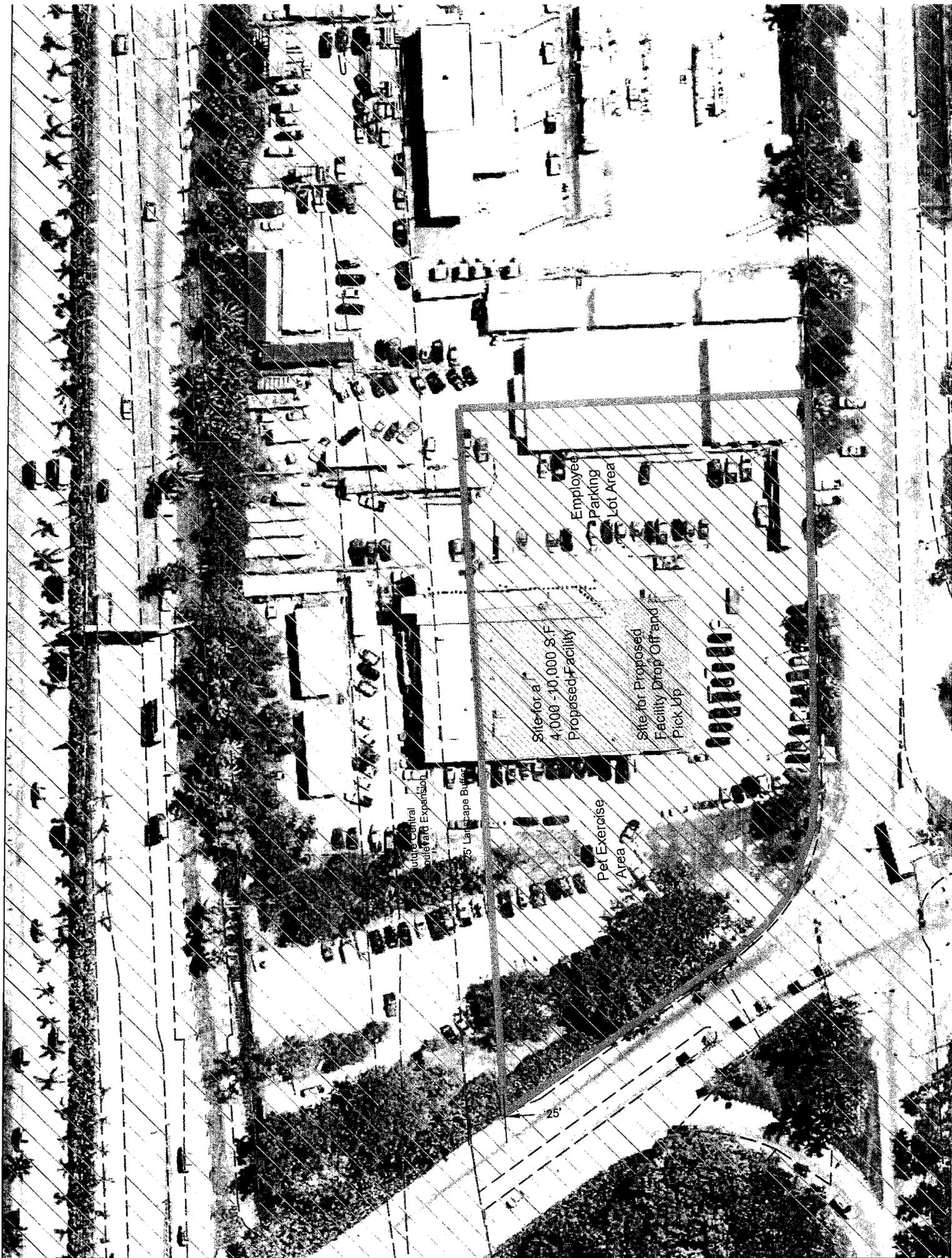
Alternative 1:
Proposed Pet Boarding Facility Site
Site Location: Bldg 3039
+/- 2.02 Acres



NO.	REVISION	DATE

NOTES:
 Pet Boarding Facility Permit:
 Maximum Allowed Building Height: 160 ft. AGL.





University Central
Generator Expansion

35' Landscape Buffer

Site for a
4,000 - 10,000 S.F.
Proposed Facility

Site for Proposed
Facility Drop Off and
Pick Up

Employee
Parking
Lot Area

Pet Exercise
Area

25'

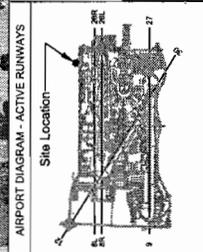




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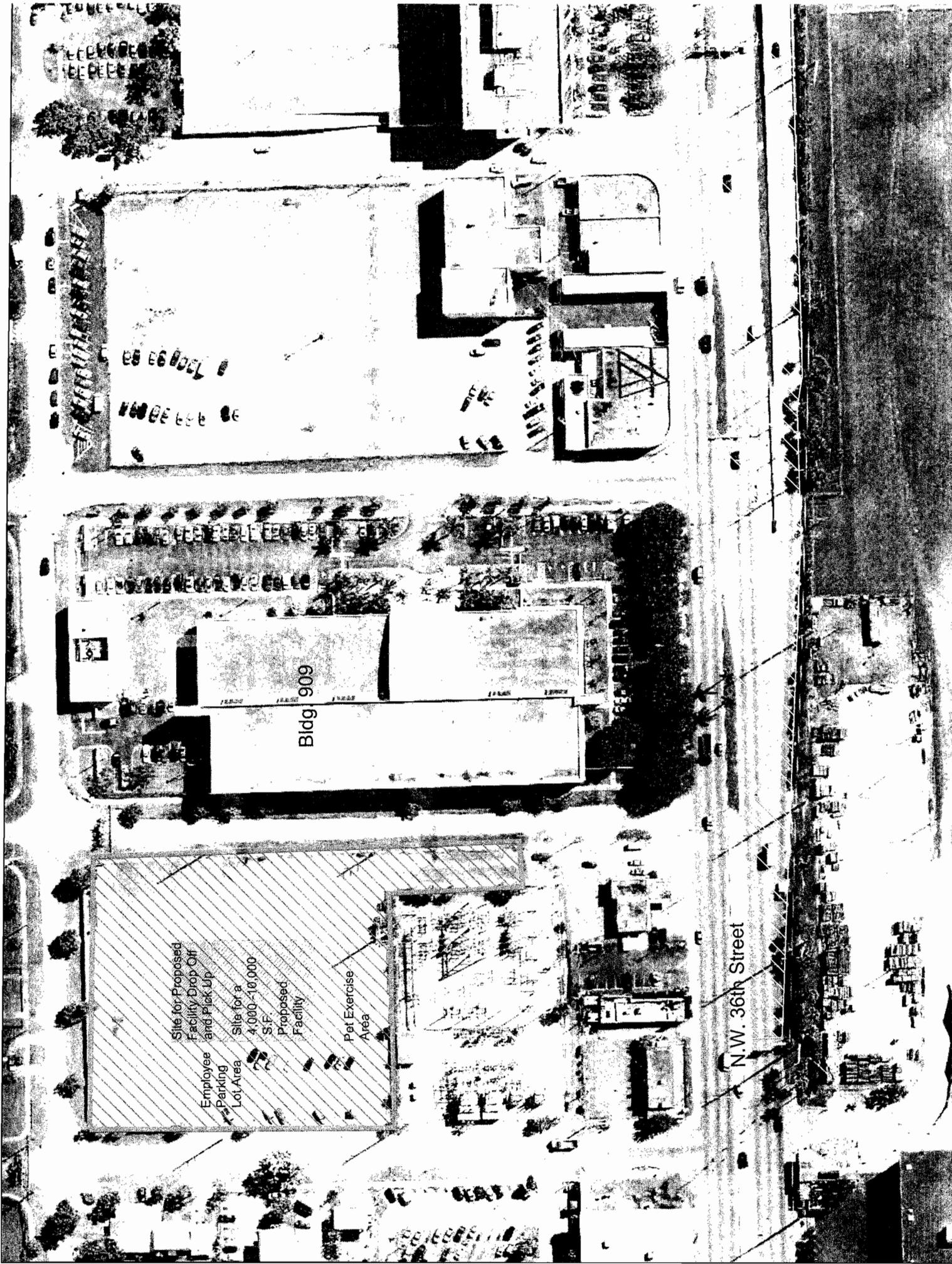
Alternative 2:
Proposed Pet Boarding Facility Site
Site Location: West of Bldg 909-Airbus
+/- 2.01 Acres



NO.	REVISION	DATE



 NOTES:
 Pet Boarding Facility Parcel:
 Maximum Allowed Building Height: 40' ± H.S.L.



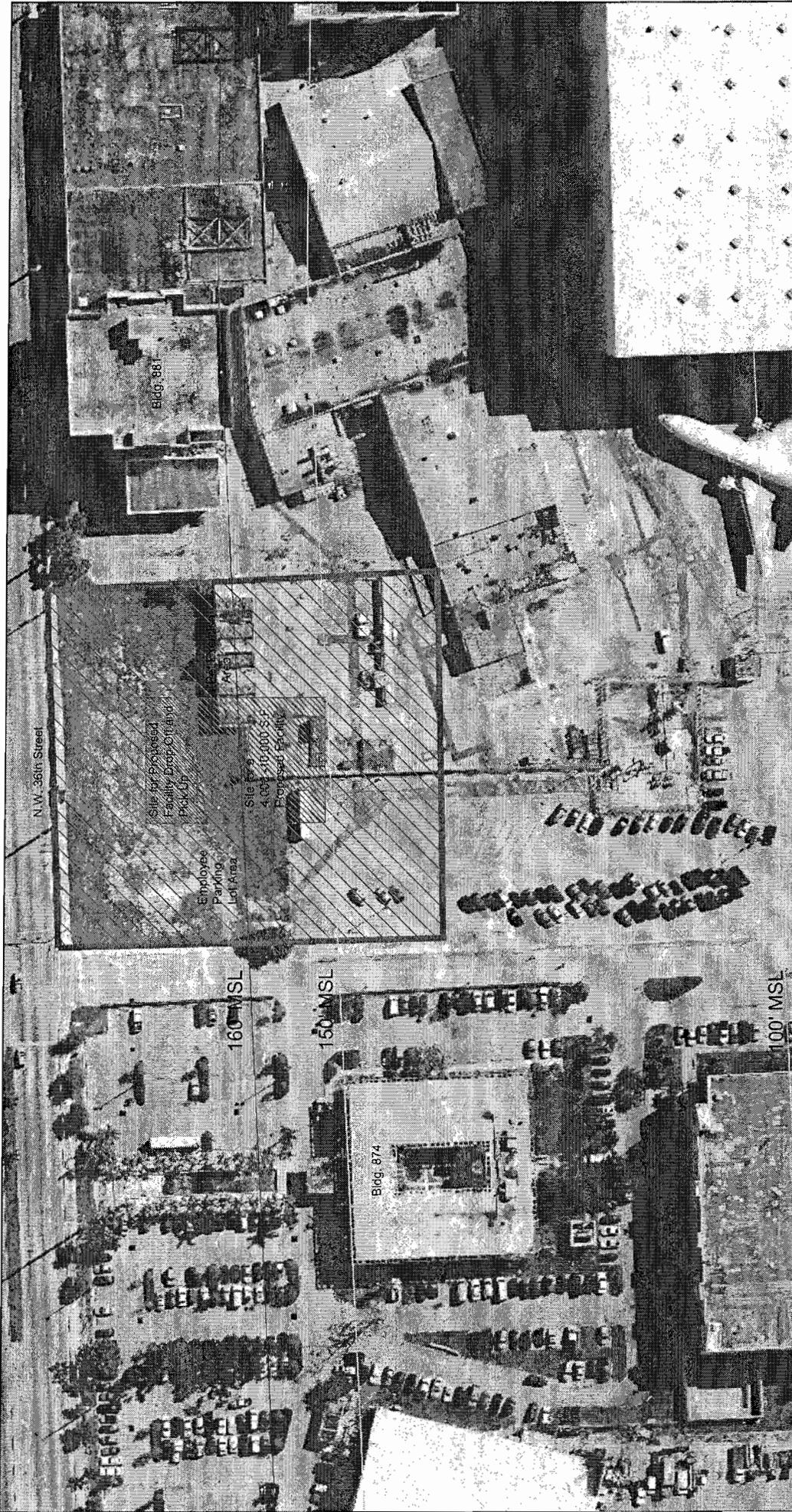
Site for Proposed
Facility Drop Off
Employee and Pick Up
Parking
Lot Area

Site for a
4,000-10,000
S.F.
Proposed
Facility

Pet Exercise
Area

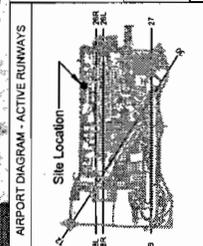
Bldg 909

N.W. 36th Street



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 PROJECT: M17 23, 2008

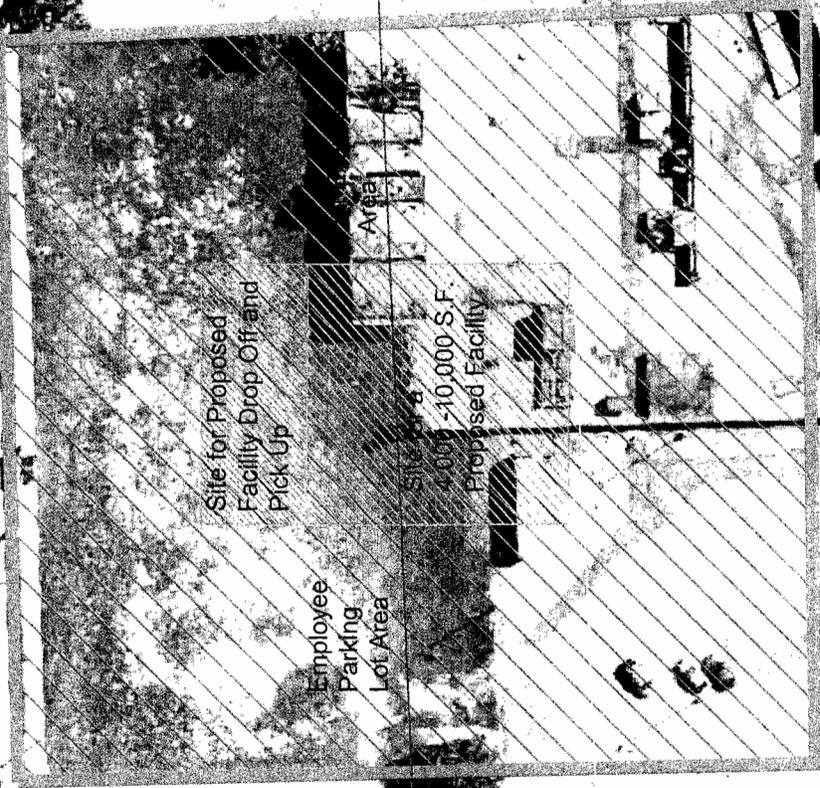


Alternative 3:
Proposed Pet Boarding Facility Site
Site Location: West of Bldg 881 - MDCC
+/- 2.01 Acres

NO.	REVISION	DATE

NOTES:
 Pet Boarding Facility Parcel:
 Maximum Allowed Building Height: From 100 ft to 160 ft MSL.

N.W. 36th Street



160' MSL

150' MSL

Bldg. 874

